United Nations S/2010/465

Security Council

Distr.: General
7 September 2010

Original: English

Letter dated 6 September 2010 from the Secretary-General addressed to the President of the Security Council

I have the honour to convey to you the attached letter, dated 6 September 2010, sent to me by the Director General of the International Atomic Energy Agency, Mr. Yukiya Amano (see annex).

I would be most appreciative if you would be so kind as to bring the present letter and its annex to the attention of the members of the Security Council.

(*Signed*) **BAN** Ki-moon

10-50727 (E) 080910

Please recycle

READEX Best copy available

Annex

Letter dated 6 September 2010 from the Director General of the International Atomic Energy Agency addressed to the President of the Security Council

I enclose herewith the report requested by the Security Council in its resolution 1929 (2010), which I have submitted today to the Board of Governors of the International Atomic Energy Agency (see enclosure).

I should be grateful if you would bring this letter and the enclosed report to the attention of all members of the Security Council.

(*Signed*) Yukiya **Amano**

Enclosure

Board of Governors

For official use only

Item 7(d) of the provisional agenda
(GOV/2010/38)

Implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions in the Islamic Republic of Iran

Report by the Director General

1. This is the report of the Director General to the Board of Governors and, in parallel, to the Security Council on the implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions in the Islamic Republic of Iran (Iran);[1] it includes developments since the last report was issued in May 2010.[2]

2. On 9 June 2010, the Security Council adopted resolution 1929 (2010), in which the Council, inter alia:

- Affirmed that Iran has failed to meet the requirements of the Board of Governors and to comply with Security Council resolutions 1696 (2006), 1737 (2006), 1747 (2007) and 1803 (2008);
- Affirmed that Iran shall, without further delay, take the steps required by the Board in its resolutions GOV/2006/14 and GOV/2009/82;
- Further affirmed that Iran shall, without further delay, take the steps required in paragraph 2 of resolution 1737 (2006) (i.e. to suspend all enrichment related and reprocessing activities as well as work on all heavy water related activities);

[1] The United Nations Security Council has adopted the following resolutions on Iran: 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008) and 1929 (2010).

[2] GOV/2010/28 (31 May 2010).

- Decided that Iran shall, without delay, comply fully and without qualification with its Safeguards Agreement, including through the application of modified Code 3.1 of the Subsidiary Arrangements; called upon Iran to act strictly in accordance with the provisions of, and to ratify promptly, the Additional Protocol; and reaffirmed that, in accordance with Articles 24 and 39 of Iran's Safeguards Agreement, Iran's Safeguards Agreement and its Subsidiary Arrangements, including modified Code 3.1, cannot be amended or changed unilaterally by Iran, and noted that there is no mechanism in the Agreement for the suspension of any of the provisions in the Subsidiary Arrangements;
- Reaffirmed that, in accordance with Iran's obligations under previous resolutions to suspend all reprocessing, heavy water related and enrichment related activities, Iran shall not begin construction on any new uranium enrichment, reprocessing or heavy water related facility and shall discontinue any ongoing construction of any such facility;
- Requested the Director General to communicate to the Security Council all reports from the Director General on the application of safeguards in Iran; and
- Requested a report from the Director General, within 90 days, on whether Iran has established full and sustained suspension of all activities mentioned in resolution 1737 (2006), as well as on the process of Iranian compliance with all the steps required by the Board and with other provisions of resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010).

A. Enrichment Related Activities

A.1. Natanz: Fuel Enrichment Plant and Pilot Fuel Enrichment Plant

3. **Fuel Enrichment Plant (FEP):** There are two cascade halls at FEP: Production Hall A and Production Hall B. According to the design information submitted by Iran, eight units (Units A21 to A28) are planned for Production Hall A, with 18 cascades in each unit. No detailed design information has been provided for Production Hall B.

4. On 28 August 2010, Iran was feeding natural UF_6 into 17 cascades of Unit A24, and 6 cascades of Unit A26, at FEP. All 18 cascades of Unit A28, the remaining cascade of Unit A24 and the remaining 12 cascades of Unit A26 (6 cascades of which were under vacuum) were also installed, but were not being fed with UF_6.[3] To date, all the centrifuges installed are IR-1 machines, of which there are 164 in each cascade. Installation work in Units A21, A22, A23, A25 and A27 was ongoing but no centrifuges had been installed. As of 28 August 2010, there had been no installation work in Production Hall B.

5. On 22 November 2009, the Agency conducted a physical inventory verification (PIV) at FEP.[4] The Agency is continuing its evaluation of the material balance for the period 18 November 2008 to 22 November 2009, taking into account new information provided by Iran. In letters dated 9 August 2010 and 17 August 2010, Iran informed the Agency that it had underestimated the hold-up of nuclear material in the facility and provided a revised estimation. Iran also informed the Agency

[3] On 28 August 2010, of the 8856 centrifuges which had been installed at FEP, 3772 centrifuges were being fed with UF_6.

[4] GOV/2010/28, para. 4.

how it intended to improve the nuclear material accountancy system of the facility. Until its evaluation has been completed, the Agency cannot confirm the nuclear material balance.[5]

6. Iran has estimated that, between 23 November 2009 and 6 August 2010, it produced an additional 995 kg of low enriched UF_6,[6] which would result in a total production of 2803 kg of low enriched UF_6 since the start of operations in February 2007.[7] The nuclear material at FEP (including the feed, product and tails), as well as all installed cascades and the feed and withdrawal stations, are subject to Agency containment and surveillance.[8] The Agency reminded Iran, in a letter dated 19 July 2010, of a number of incidents involving the breaking of seals by the operator at FEP. In a letter dated 9 August 2010, Iran provided more information about these incidents and stated that the breakages were accidental and that "all necessary advice and instructions have been given to the operator to exercise more vigilance and control in this respect". The consequences for safeguards of these seal breakages will be evaluated by the Agency upon completion of the next PIV, which is currently planned for October 2010.

7. Since February 2007, the Agency has taken a large number of environmental samples at FEP, the results of which have indicated a level of enrichment of uranium of less than 5.0% U-235. In one recent result, a small number of particles from samples taken in the cascade area were found with enrichment levels of between 5.0% and 7.1% U-235, i.e. higher than that stated in the Design Information Questionnaire (DIQ). The Agency, in a letter dated 13 August 2010, informed Iran of this matter and requested clarification. In letters dated 17 August 2010 and 1 September 2010, Iran provided a possible explanation for the presence of such particles, along with supporting information. Iran's explanation is not inconsistent with the Agency's findings.[9]

8. **Pilot Fuel Enrichment Plant (PFEP):** PFEP is a research and development (R&D) facility and a pilot low enriched uranium (LEU) production facility which was first brought into operation in October 2003. It has a cascade hall that can accommodate six cascades. Cascades 1 and 6, each of which can comprise up to 164 machines, are designated for the production of LEU enriched up to 20% U-235. The other part of the cascade hall is designated as an "R&D area".

9. In the R&D area, between 22 May 2010 and 20 August 2010, a total of approximately 84 kg of natural UF_6 was fed into a 20-machine IR-4 cascade, a 20-machine IR-2m cascade and single IR-1, IR-2m and IR-4 centrifuges. In this area, no LEU is withdrawn because the product and the tails of this R&D activity are recombined at the end of the process.

10. On 9 February 2010, Iran began feeding low enriched UF_6 into Cascade 1 for the stated purpose of producing UF_6 enriched up to 20% U-235 as fuel for the Tehran Research Reactor (TRR). Iran subsequently informed the Agency that it intended to install a second 164-machine IR-1 cascade (Cascade 6) at PFEP and connect it to Cascade 1 with the aim of reducing the enrichment of tails

---

[5] See GOV/2009/55, para. 4.

[6] The Agency has verified, through independently calibrated operator load cell readings, that, between 23 November 2009 and 7 August 2010, 10636 kg of natural UF_6 was fed into the cascades, and a total of 980 kg of low enriched UF_6 product and 9554 kg of UF_6 tails and dump material was off-loaded into UF_6 cylinders. The difference of 102 kg between the input figure (10636 kg) and the sum of the output figures (980 kg + 9554 kg) comprises natural, depleted and low enriched UF_6 arising mainly from hold-up in the various cold traps and is not inconsistent with the design information provided by Iran.

[7] The Agency has verified that, as of 22 November 2009, a total of 1808 kg of low enriched UF_6 had been produced.

[8] In line with normal safeguards practice, small amounts of nuclear material at the facility (e.g. some waste and samples) are not under containment and surveillance.

[9] In this regard, it should be noted that Iran's explanation refers to a known technical phenomenon associated with the start-up of centrifuge cascades.

"from ~2% to ~0.7% U-235".[10] The increase in the enrichment level and the interconnection of the two cascades necessitated a new safeguards approach, which has been implemented since 15 May 2010.[11]

11. In a letter dated 30 June 2010, Iran informed the Agency that it intended to start feeding LEU into the interconnected Cascades 1 and 6 and requested the Agency to rearrange the seals to allow Iran to operate the two cascades as planned. The Agency did so on 3 July 2010. On 17 July 2010, Iran informed the Agency that the feeding of Cascade 6 with the tails from Cascade 1 had started on 13 July 2010.

12. Iran has estimated that, between 9 February 2010 and 20 August 2010, a total of approximately 310 kg of UF_6 enriched at FEP was fed into Cascade 1 and that 22 kg of UF_6 enriched up to 20% U-235 was produced. The UF_6 produced is being periodically withdrawn by Iran from Cascade 1 and loaded into a cylinder with a capacity of about 25 kg of UF_6. This material is under containment and surveillance. Iran has stated that, once the cylinder is full, it will homogenize the UF_6 contained within, after which the Agency will sample the material for destructive analysis.

13. As of 7 April 2010, the results of the environmental samples taken at PFEP indicate that the maximum enrichment level in the DIQ (i.e. less than 20% U-235 enrichment) had not been exceeded at that plant.[12]

A.2. Qom: Fordow Fuel Enrichment Plant

14. In September 2009, Iran informed the Agency that it was constructing the Fordow Fuel Enrichment Plant (FFEP), located near the city of Qom. The Agency verified that FFEP was being built to contain sixteen cascades, with a total of approximately 3000 centrifuges.[13]

15. The Agency has asked Iran on a number of occasions to provide additional information regarding the chronology of the design and construction of FFEP, as well as its original purpose.[14] In response to these requests, Iran has stated that, "The location [near Qom] originally was considered as a general area for passive defence contingency shelters for various utilizations. Then this location was selected for the construction of [the] Fuel Enrichment Plant in the second half of 2007". The Agency has also reiterated the need for access to companies involved in the design and construction of FFEP. The Agency informed Iran that it had received extensive information from a number of sources alleging that design work on the facility had started in 2006.[15] In a letter to the Director General, dated 4 June 2010, Iran stated that there were "no legal bases" upon which the Agency could request information on the chronology and purpose of FFEP, and that the Agency was "not mandated to raise any question beyond the Safeguards Agreement".[16] The Agency considers that the questions it has raised are within the terms of the Safeguards Agreement, and that the information requested is

[10] GOV/2010/28, para. 9.

[11] A description of this new approach is set out in GOV/2010/28, para. 11.

[12] These results have shown particles of low enriched uranium (with up to 4.0% U-235), natural uranium and depleted uranium (down to 0.27% U-235).

[13] GOV/2010/10, para. 14.

[14] GOV/2010/10, paras 14–16.

[15] GOV/2010/10, para. 15.

[16] INFCIRC/797, para. 4.

essential for the Agency to verify the chronology and original purpose of FFEP to ensure that the declarations of Iran are correct and complete.[17]

16. In its response to the Agency's request that Iran submit a complete DIQ for FFEP,[18] Iran said, in a letter to the Director General dated 4 June 2010, that it had "fulfilled its obligation in providing the DIQ of FFEP" according to its Safeguards Agreement.[19] The Agency has informed Iran on a number of occasions that it considers that, based on the current construction status of the facility, additional information must be available to Iran and that this information should be included in the DIQ.

17. Since October 2009, the Agency has been conducting, on average, one design information verification (DIV) at FFEP per month. The Agency has verified that the construction of the facility is ongoing. As of 18 August 2010, no centrifuges had been introduced into the facility. The results of the environmental samples taken at FFEP up to 16 February 2010 did not indicate the presence of enriched uranium.[20]

A.3. Other Enrichment Related Activities

18. In light of the announcement made by Iran on 7 February 2010 that it possessed laser uranium enrichment technology,[21] and its announcement on 9 April 2010 regarding the development of 'third generation' centrifuges,[22] the Agency, in a letter to Iran dated 18 August 2010, reiterated its previous request that Iran provide access to additional locations related, inter alia, to the manufacturing of centrifuges, R&D on uranium enrichment (including laser enrichment), and uranium mining and milling activities.[23] In its reply dated 21 August 2010, Iran did not provide the Agency with the requested information but reiterated that it was "continuing to cooperate with the Agency in accordance with its Safeguards Agreement".

[17] GOV/2010/10, para. 14.

[18] Referred to in GOV/2010/28, para. 16.

[19] INFCIRC/797, para. 3.

[20] The results did show a small number of particles of depleted uranium (see GOV/2010/10, para. 17).

[21] Cited on the website of the Presidency of the Islamic Republic of Iran, 7 February 2010, at http://www.president.ir/en/?ArtID=20255

[22] GOV/2010/28, para. 18.

[23] GOV/2008/15, para. 13.

B. Reprocessing Activities

19. The Agency has continued to monitor the use of hot cells at TRR[24] and the Molybdenum, Iodine and Xenon Radioisotope Production (MIX) Facility.[25] The Agency carried out an inspection and a DIV at TRR on 1 August 2010 and a DIV at the MIX Facility on 31 July 2010. There were no indications of ongoing reprocessing related activities at those facilities. While Iran has stated that there have been no reprocessing related activities in Iran, the Agency can confirm this only with respect to these two facilities, as Iran's Additional Protocol is not being implemented.

C. Heavy Water Related Projects

20. As indicated in the Director General's previous reports, the Agency, as mandated by the Security Council, has requested that Iran make the necessary arrangements to provide the Agency, at the earliest possible date, with access to: the Heavy Water Production Plant (HWPP); the heavy water stored at the Uranium Conversion Facility (UCF) for the taking of samples;[26] and any other location in Iran where projects related to heavy water are being carried out. In a letter to the Agency dated 10 June 2010, Iran stated that the Agency's requests had "no legal basis since they are not falling within Iran's Safeguards Agreement" and that the requests also went beyond the relevant Security Council resolutions that "request only verification of suspension".[27] Iran also stated that it had not suspended work on heavy water related projects.[28] To date, Iran has not provided the requested access.

21. On 2 August 2010, the Agency carried out a DIV at the IR-40 reactor at Arak. The Agency verified that construction of the facility was ongoing, with the civil construction of the buildings almost complete and some major equipment having been installed. This equipment includes the main crane in the reactor building and the pressurizer for the reactor cooling system. According to Iran, the operation of the IR-40 reactor is currently planned to commence in 2013. In the radiochemistry building, the concrete structure for the hot cells was ready, but no hot cell windows or manipulators were present.

22. Based on satellite imagery, the HWPP appears to be in operation.[29] However, without access to the HWPP, the Agency is unable to verify Iran's statement that it has not suspended work on heavy water related projects and therefore cannot report fully on this matter.

---

[24] TRR is a 5 MW reactor which operates with 20% U-235 enriched fuel and is used for the irradiation of different types of targets and for research and training purposes.

[25] The MIX Facility is a hot cell complex for the separation of radiopharmaceutical isotopes from targets, including uranium, irradiated at TRR. The MIX Facility is not currently processing any uranium targets.

[26] GOV/2010/10, paras 20 and 21.

[27] INFCIRC/804, paras 12 and 13.

[28] INFCIRC/804, para. 13.

[29] As previously indicated to the Board, in light of Iran's refusal to permit the Agency access to the HWPP, the Agency has had to rely solely on satellite imagery.

D. Uranium Conversion and Fuel Fabrication

23. The Agency has finalized its assessment of the results of the PIV carried out at UCF in March 2010,[30] and has concluded that the inventory of nuclear material at UCF as declared by Iran is consistent with those results, within the measurement uncertainties normally associated with conversion plants of similar throughput.

24. On 4 August 2010, the Agency carried out a DIV at UCF. At that time, the plant was still undergoing maintenance. Iran informed the Agency, in a letter dated 4 July 2010, that UCF would resume full operations on 23 September 2010. As no UF_6 has been produced at UCF since 10 August 2009, the total amount of uranium in the form of UF_6 produced at UCF since March 2004 remains 371 tonnes (some of which has been transferred to FEP and PFEP), which remains subject to Agency containment and surveillance.

25. During the DIV on 4 August 2010, Iran informed the Agency that the installation of equipment at UCF for the conversion of the UF_6 enriched up to 20% U-235 to U_3O_8, required for the fabrication of fuel for TRR, would start in November 2010. In a letter dated 17 August 2010, Iran informed the Agency that experiments on the conversion of UF_6 to U_3O_8 using depleted UF_6 would start at UCF in September 2011.

26. In a letter dated 28 June 2010, Iran provided an updated DIQ for the Fuel Manufacturing Plant (FMP), in which it stated that fuel fabrication for TRR will take place in part of a building at UCF. In a letter to the Agency dated 17 August 2010, Iran stated that it planned to install equipment for TRR fuel fabrication in November 2010. On 3 August 2010, the Agency carried out a PIV and a DIV at FMP and confirmed that no new fuel assemblies, rods or pellets for the IR-40 reactor had been produced.

E. Other Activities

27. In a letter dated 9 August 2010, Iran informed the Agency that it would commence the transfer of fresh fuel to the reactor containment building at the Bushehr Nuclear Power Plant (BNPP). As stated in the Director General's previous report, Iran has informed the Agency that it would perform a technical examination of fuel assemblies prior to loading them into the core of the reactor.[31] On 21 August 2010, the Agency confirmed that the transfer of fresh fuel into the reactor building had begun and commenced its re-verification activities.

28. The Jabr Ibn Hayan Multipurpose Research Laboratory (JHL) is located at the Tehran Nuclear Research Centre and is a nuclear and non-nuclear chemistry research laboratory. On 31 July 2010, the Agency conducted a DIV and a PIV at JHL, during which Iran reiterated what it had stated during the DIV on 14 April 2010, specifically that the activities at JHL were related to "a research project aiming purely [at] studying the electrochemical behaviour of uranyl ion in ionic liquid", using a uranyl nitrate

[30] GOV/2010/28, para. 25.

[31] GOV/2010/28, para. 27.

solution.[32] Iran also stated that these experimental activities had not yet begun. The Agency continues to monitor Iran's electrochemical R&D activities at this facility.

29. Based on satellite imagery, the Agency assesses that activities involving the mining and concentration of uranium are continuing in the area of the Bandar Abbas Uranium Production Plant, and that construction activities are continuing at the Ardakan Yellowcake Production Plant and at the Saghand Uranium Mine.

F. Design Information

30. As explained in previous reports of the Director General, the modified Code 3.1 of the Subsidiary Arrangements General Part to Iran's Safeguards Agreement, as agreed to by Iran in 2003, remains in force, notwithstanding Iran's decision in 2007 to suspend its implementation.[33] Although the Agency has, on numerous occasions, reminded Iran that it is obliged to provide design information in accordance with the modified Code 3.1, Iran has not resumed implementation of the modified Code 3.1, which is inconsistent with its obligation under the Subsidiary Arrangements. Iran remains the only State with significant nuclear activities which has a comprehensive safeguards agreement in force that is not implementing the provisions of the modified Code 3.1.

31. In the case of both the Darkhovin facility and FFEP, Iran did not notify the Agency in a timely manner of the decision to construct, or to authorize construction of, the facilities, as required in the modified Code 3.1, and has provided only limited design information with respect to those facilities.[34] Iran has also not provided updated design information for the IR-40 reactor.

32. The Agency requested Iran, in a letter dated 18 June 2010, to confirm a statement made by the Vice President of Iran and President of the Atomic Energy Organization of Iran, H.E. Ali Akbar Salehi, to an Iranian news agency to the effect that Iran was designing a reactor similar to TRR, for the production of radioisotopes. In the same letter, the Agency also requested that, if a decision to construct new nuclear facilities had been taken by Iran, Iran provide further information regarding the design and scheduling of the construction of the facilities. In its reply, dated 23 June 2010, Iran reiterated that it was continuing to cooperate with the Agency "in accordance with its Safeguards Agreement".

33. On 16 August 2010, H.E. Ali Akbar Salehi announced that "studies for the location of 10 other uranium enrichment facilities" had ended, and that "the construction of one of these facilities will begin by the end of the (current Iranian) year (March 2011) or start of the next year".[35] In a letter dated 19 August 2010, the Agency requested Iran to provide preliminary design information for the facility. In its reply dated 21 August 2010, Iran did not provide the requested information and stated only that it would provide the Agency with the required information "in due time". These latest communications between Iran and the Agency follow similar exchanges relating to public statements

[32] GOV/2010/28, para. 28.

[33] GOV/2010/10, paras 28–30.

[34] GOV/2010/10, para. 31.

[35] 'Iran Specifies Location for 10 New Enrichment Sites', Fars News Agency, 16 August 2010.

made by Iranian officials in relation to the possible construction of new nuclear facilities.[36] Iran has also said that the statements on design information as set out in paragraphs 30 to 33 of the Director General's previous report (GOV/2010/28) have "no legal base".[37]

34. The modification of PFEP to produce uranium enriched up to 20% in U-235,[38] which is clearly relevant for safeguards purposes, was not notified to the Agency by Iran with sufficient time for the Agency to adjust its safeguards procedures, as required under Article 45 of Iran's Safeguards Agreement.[39]

G. Designation of Inspectors

35. In a letter to the Director General dated 3 June 2010, Iran stated that, henceforth, if confidential information acquired by the Agency as a result of implementing its Safeguards Agreement "leaks, in any way, and/or [is] conveyed to the media; for the first reaction, the designation of the relevant inspector(s) will be withdrawn".[40] In a letter to the Director General dated 10 June 2010, referring to the "false and wrong statements in paragraph 28" of the Director General's previous report (GOV/2010/28), Iran informed the Agency that it objected to the designation of two inspectors who had recently conducted inspections in Iran.

36. While Iran's Safeguards Agreement does permit it to object to the designation of Agency inspectors, the Agency rejects the basis upon which Iran has sought to justify its objection in this case. The Agency has full confidence in the professionalism and impartiality of the inspectors concerned, as it has in all of its inspectors, and confirms that the Director General's previous report on the implementation of safeguards in Iran (GOV/2010/28) is fully accurate.

37. In a meeting with the Resident Representative of Iran to the Agency on 20 July 2010, the Agency informed the Resident Representative that the repeated objection by Iran to the designation of inspectors with experience in Iran's nuclear fuel cycle and facilities hampers the inspection process and thereby detracts from the Agency's capability to implement effective and efficient safeguards in Iran. In this regard, at the same meeting, the Agency again requested that Iran reconsider its decision of 16 January 2007 to request the Agency to withdraw the designation of 38 Agency inspectors and its requests (dating back to 2006) to withdraw the designations of four other inspectors with experience in conducting inspections in Iran. While acknowledging Iran's recent acceptance of the designation of five new inspectors (in letters from Iran to the Agency dated 14 April 2010 and 16 August 2010), the Agency will continue to request Iran to withdraw its objection to the designation of inspectors with experience in Iran's nuclear fuel cycle and facilities.

---

[36] See GOV/2010/28, para. 32.

[37] INFCIRC/804, para. 18.

[38] This refers to the original modification that enabled the commencement of enrichment up to 20% in U-235 on 9 February 2010 (GOV/2010/10, para. 9), rather than to the subsequent additional modification involving the interconnection of two cascades.

[39] The period of notice provided by Iran regarding the related changes made to PFEP was insufficient for the Agency to adjust the existing safeguards procedures before Iran started to feed the material into PFEP (GOV/2010/10, para. 48).

[40] See INFCIRC/796, 10 June 2010, para. 10.

H. Possible Military Dimensions

38. Previous reports by the Director General have detailed the outstanding issues related to possible military dimensions to Iran's nuclear programme and the actions required of Iran necessary to resolve those issues.[41] In the Director General's February 2010 report (GOV/2010/10), the Agency described a number of technical matters it needed to address with Iran.[42] Since August 2008, however, Iran has declined to discuss the outstanding issues with the Agency or to provide any further information or access to locations and people necessary to address the Agency's concerns, asserting that the allegations relating to possible military dimensions to its nuclear programme are baseless and that the information to which the Agency is referring is based on forged documents.

39. Based on an overall analysis undertaken by the Agency of all the information available to it,[43] the Agency remains concerned about the possible existence in Iran of past or current undisclosed nuclear related activities involving military related organizations, including activities related to the development of a nuclear payload for a missile. There are indications that certain of these activities may have continued beyond 2004.

40. It is essential that Iran engage with the Agency on these issues, and that the Agency be permitted to visit all relevant sites, have access to all relevant equipment and documentation, and be allowed to interview all relevant persons, without further delay. The passage of time and the possible deterioration in the availability of some relevant information increase the urgency of this matter. Iran's substantive and proactive engagement is essential to enable the Agency to make progress in its verification of the correctness and completeness of Iran's declarations.

I. Summary

41. While the Agency continues to verify the non-diversion of declared nuclear material in Iran, Iran has not provided the necessary cooperation to permit the Agency to confirm that all nuclear material in Iran is in peaceful activities.[44]

42. More specifically, Iran is not implementing the requirements contained in the relevant resolutions of the Board of Governors and the Security Council, including implementation of the Additional Protocol, which are essential to building confidence in the exclusively peaceful purpose of Iran's nuclear programme and to resolving outstanding questions. In particular, Iran needs to cooperate in clarifying outstanding issues which give rise to concerns about possible military dimensions to its nuclear programme, including by providing access to all sites, equipment, persons and documents

[41] A summary of the issues was provided to the Board in Section E of GOV/2008/15, and most recently in GOV/2010/10, para. 40.

[42] GOV/2010/10, paras 42–43.

[43] GOV/2010/10, para. 41.

[44] The Board has confirmed on numerous occasions, since as early as 1992, that paragraph 2 of INFCIRC/153 (Corr.), which corresponds to Article 2 of Iran's Safeguards Agreement, authorizes and requires the Agency to seek to verify both the non-diversion of nuclear material from declared activities (i.e. correctness) and the absence of undeclared nuclear activities in the State (i.e. completeness) (see, for example, GOV/OR.864, para. 49). Paragraph 41 reflects the past and current implementation by Iran of its Safeguards Agreement and other obligations.

requested by the Agency. Iran also needs to implement the modified Code 3.1 on the early provision of design information.

43. In addition, contrary to the relevant resolutions of the Board of Governors and the Security Council, Iran has not suspended enrichment related activities. Iran has continued with the operation of FEP and PFEP at Natanz, and has started the enrichment of uranium up to 20% U-235 at PFEP, now in two interconnected cascades. Iran has continued the construction of FFEP. In order to verify the chronology and original purpose of FFEP, Iran still needs to provide the Agency with access to relevant design documents and to companies involved in the design and construction of the plant. Iran also needs to submit a complete DIQ for the facility. Iran has also announced that it has selected the venues for new enrichment facilities and that construction of one of these facilities will start around March 2011, but has not provided the Agency with the necessary design information and access in accordance with Iran's Safeguards Agreement and Subsidiary Arrangements.

44. Similarly, contrary to the relevant resolutions of the Board of Governors and the Security Council, Iran has also continued with the construction of the IR-40 reactor and with heavy water related activities. The Agency has not been permitted to take samples of the heavy water which is stored at UCF, and has not been provided with access to the HWPP. While the Agency can report that Iran has made statements to the effect that it has not suspended those activities, without full access to the heavy water at UCF, the HWPP and the other facilities which Iran has announced it has decided to construct, the Agency is unable to verify such statements and therefore to report fully on this matter.

45. Iran objected to the designation of two inspectors who had recently conducted inspections in Iran. The Agency rejects the basis upon which Iran has sought to justify its objection; it is also concerned that the repeated objection to the designation of experienced inspectors hampers the inspection process and detracts from the Agency's ability to implement safeguards in Iran.

46. The Director General requests Iran to take steps towards the full implementation of its Safeguards Agreement and its other obligations, including implementation of its Additional Protocol.

47. The Director General will continue to report as appropriate.